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DEPARTMENT FOR EUR/ERA AND H

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SUBJECT: MID-TERM CHANGES IN THE EUROPEAN PARLIAMENT

Classified By: POLOFF COURTNEY R. NEMROFF FOR REASONS 1.5 (D) AND (E)

1.(SBU) SUMMARY AND COMMENT: The European Parliament (EP) mid-term leadership changes of January 2007 provide a new opportunity for us to pursue deeper engagement in pursuit of U.S. interests. The new group at the top is broadly pro-U.S. and wants to strengthen the transatlantic relationship, with one notable exception in German Communist Helmuth Markov, who took over as head of the International Trade Committee. German Christian Democrat MEP Hans-Gert Poettering was elected as the new EP President; French MEP Joseph Daul replaced Hans-Gert Poettering at the head of the EPP-ED Group; and Polish MEP Jacek Saryusz-Wolski replaced Elmar Brok as the Chairman of the Foreign Affairs Committee. The transition from Brok to Saryusz-Wolski involved a minor power struggle, with Brok forced out despite trying to engage German Chancellor Merkel on his behalf.

2.(SBU) The new EP leadership will likely seek to increase dialogue with the United States on strategic issues, including the war on terror, energy security, Europe's near neighborhood with Russia, and trade. One early signal of their commitment and ability to strengthen relations with the United States will be in the language of the resolution on transatlantic relations the EP is expected to adopt April 26. The domination of "new countries" in the leadership of the Foreign Affairs Committee and the new Chairman's personal interest in the EU's eastern neighbors and energy policy will likely result in an increase in EP resolutions on Ukraine and Belarus and regular visits from officials from the Caucasus to the EP. While the Poles and Germans will continue to disagree on Russia policy, the new Chairman of Foreign Affairs will promote the Polish side of that argument. and carefully focused engagement with the new EP leadership could help us shift our dialogue with the EP away from an almost exclusive focus on bilateral irritants (renditions, data privacy, etc.) to a more substantive dialogue on strategic issues where we can find some common agreement. This dialogue could in turn allow our allies in the EPP-ED to point to positive developments in the bilateral relationship to counter the focus from the left on issues that divide us. END SUMMARY AND COMMENT

POETTERING BECOMES NEW EP PRESIDENT

3.(U) German Christian Democrat MEP Hans-Gert Poettering, Chairman of the center-right EPP-ED group since 1999, was elected as the new EP President January 16 with a comfortable majority. He replaces Spanish Socialist MEP Josep Borrell. Poettering will be EP President for two and a half years, until the next European elections in June 2009. His election was basically guaranteed, as the EPP-ED and the PES (Socialist Group) had agreed to power-share the presidency at the outset of the current Parliament session in 2004, with Poettering informally designated as Borrell's successor.

According to EP contacts, Poettering intentionally chose this later half of the five-year EP Presidency in the power-share deal so that the start of his presidency would coincide with the German Presidency of the EU. His German CDU connection provides him with good optics (he makes a point of showing visitors the first signature in the "guest book" he keeps in his office - that of German Chancellor Merkel). He is also using his links to Merkel and her advisors to boost his influence, making inroads into areas where the EP president's role has been limited, or non-existent, in the past. In particular, he is trying to play a significant role in the EU institutional reform debate and is lobbying to participate in the G8 parliamentary meeting.

- 4.(C) Poettering has been an MEP since the first direct European elections in 1979. He is a respected figure in the EP and was instrumental in bringing the EPP (Christian Democrats) and the ED parties (British conservatives and the Czech Civic Democratic Platform ODS) together into the combined EPP-ED, making it the strongest group in the Parliament. EP leadership, Commission President Barroso, and German Chancellor Merkel welcomed Poettering's election, calling him a politician of compromise who could work well with all parties. Poettering is a strong supporter of a federal Europe and was a vocal advocate of bringing eastern European countries into the EU, but he is opposed to Turkey's membership.
- 5.(C) Poettering considers himself a transatlanticist and favors strong cooperation with the U.S. but has always been openly critical of the U.S. on issues like Guantanamo and the death penalty. He raised both issues during his first address to the Chamber on February 13. Poettering is also a protocol-conscious politician who has made clear to Embassy officers both his desire to travel to the United States in

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his new role and his expectation that he be received at

levels "appropriate" to his rank while he is there. We believe it would be useful for Poettering to travel to Washington to meet with key Congressional leadership as well as senior administration officials. It is worth our time to engage Poettering as he builds the power of the EP presidency as an institution.

DAUL REPLACES POETTERING AS EPP-ED LEADER

- 16. (C) Replacing Poettering as the leader of the largest political group in the EP is Joseph Daul, a French farmer and former chairman of the EP Agricultural Affairs committee. Four candidates ran for the post and Daul faced a tight race against Swedish MEP Gunnar Hokmark, ultimately elected by 134 votes against 115. Daul had the support of French and German members, while Hokmark was supported by most new member states and the British conservatives. As Daul himself noted in an interview in "Le Monde", both French President Chirac and presidential candidate Nicolas Sarkozy backed him in his bid for the position. A traditional Catholic, Daul is a typical "old Europe" politician and a staunch defender of "European agriculture" but has professed openness to changes in the Common Agricultural Policy (CAP) and to WTO agreements. He is strongly opposed to Turkey's accession to the EU.
- 17. (C) Daul strikes us as a relatively inexperienced leader who lacks a solid understanding of key international political issues. He tends to steer conversations back to his area of expertise: agriculture and the politics of his local village (he was mayor of Pfettisheim in the Alsatian region of France). Daul does not speak English well and relies on an interpreter in meetings. However, he has stressed the value he places on strong transatlantic relations and is likely a leader who we can help shape,

especially now at the beginning of his tenure in this influential position. During his first meeting with USEU Ambassador Gray February 14, Daul stressed his desire to work with the United States and announced that he planned to visit Washington in July 2007. We see potential to work with Daul on the Balkans, Iran, and other big picture strategic goals.

"NEW EUROPE" LEADING THE FOREIGN AFFAIRS COMMITTEE

- 18. (SBU) Polish Christian Democrat MEP Jacek Saryusz-Wolski was formally elected January 31 to replace German Christian Democrat MEP Elmar Brok as Chairman of the European Parliament Foreign Affairs Committee (AFET). In addition, three out of the four vice chairmen of the committee come from new EU member states: Czech Socialist MEP Libor Roucek, a former Romanian government spokesman; Polish Liberal MEP Janusz Onyszkiewicz, a former Polish defense minister; and Romanian Socialist MEP Mircea Pascu, also a former defense Minister of his country. Michael Gahler, a German Christian Democrat, is the only vice chairman from "old Europe". All of these MEPs, including Michael Gahler, have shown positive attitudes towards the U.S. and are likely to promote good transatlantic relations.
- 19. (SBU) Committee leadership changes throughout the EP were delayed because of controversy surrounding the Foreign Affairs Committee chair. Elmar Brok, who was compelled to give up his seat according to internal EP rules on seat distribution, tried to resist by asking German Chancellor Merkel and others to lobby on his behalf. The EPP-ED group ultimately decided Brok had to go, marking the end of an era for the EP, as Brok has chaired the committee since 1999.
- 110. (SBU) The new Chairman, Jacek Saryusz-Wolski, has been an EP Vice President since the European elections of 2004. He is a former Polish Minister for European Affairs (1991-1996 and 2000-2001) and is the Vice Rector of the Collège of Europe. Saryusz-Wolski was the chief advisor on EU affairs to then Polish Prime Minister Jerzy Buzek in 1999. His stubbornness in negotiating his country's accession agreement with the EU is legendary. Having earned himself the nickname of Poland's "Mr. Europe", Saryusz-Wolski left politics in the autumn of 2001 when the Buzek government fell. He returned to politics in 2004 with the hopes of becoming Poland's candidate for European Commissioner but the post went to Danuta Hubner, and Saryusz-Wolski was instead elected as an MEP. Although a transatlanticist, as most conservative Polish politicians, Saryusz-Wolski appears to be more focused eastward. He is a strong supporter of a possible EU future for Ukraine. During a meeting with USEU Ambassador Gray on February 14, he stressed the danger of Russia's energy policy, calling for the United States and the EU to cooperate on solutions to bypass Russia, possibly by building an

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alternative pipeline through Turkey, and emphasized Russia's negative role in the Middle East and Iran.

GERMAN COMMUNIST TO CHAIR THE TRADE COMMITTEE

111. (U) The fight for the Chairmanship of the Foreign Affairs Committee was not the only major change in EP committee leaderships. While the Polish Christian Democrats took over the prestigious Foreign Affairs seat, they lost the less visible but most powerful Budget committee chairmanship to the German Christian-Democrat MEP Reimer Boege. Former EP President, Spanish socialist Josep Borrell, wanted the Chairmanship of the Development committee and got it, replacing Italian communist Luisa Morgantini. The Communists received in exchange the International Trade Committee Chairmanship held previously by the Spanish Socialist Enrique Baron Crespo. Helmut Markov, a German Communist, is the new committee chair. The German delegation of the EPP-ED also lost the chair of the powerful Environment committee (in

charge of key issues such as REACH legislation and biotech) to the Czech delegation. Miroslav Ouzky, a medical doctor without extensive political experience, will chair this key committee.

Tensions in the EPP-ED Group

112. (SBU) As exposed by the tight race between Daul and Hokmark and the fight for the Foreign Affairs Committee chairmanship between Brok and Saryusz-Wolski, there are tense undercurrents in the EPP-ED, which play out in a number of ways. First, between the EPP and ED components - the British conservatives have announced their willingness to leave the EPP-ED after Ehe 2009 elections; second, between the "old" and "new" member states (with the greatest tensions evident between Germany and Poland); and third, between the "social liberals" and the "free-marketeers." The last two categories overlap, according to an EPP-ED staffer, as center-right parties in the 12 new countries support full market liberalization while the old countries defend a stronger "social" tradition. Daul announced at his first $\ensuremath{\text{press}}$ conference his goal of achieving better group unity and presented himself as a man of compromise who could achieve this aim. If Daul fails at that task, and if the UK Conservatives carry through on their threat to leave after the 2009 elections, it could mean a loss of influence for the EPP-ED after 2009. Depending on election results, it could even mean the Socialists regain their position as the strongest political group in the EP. The departure of British Conservatives could also potentially mean a larger "euroskeptic" camp that could become a strong group in size. This is more likely if disparate parties manage to find a common platform and if the growth of euroskepticism in Europe is confirmed in the next election.

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